

THOMAS M. McELROY
PROFESSIONAL ASSOCIATION
ATTORNEY AT LAW
301 NORTH BROADWAY
POST OFFICE BOX 1450
TUPELO, MISSISSIPPI 38802-1450

RECEIVED
2004 JUN 11 PM 3:34
T.R.A. DOCKET ROOM

TEL: (662) 842-3723

McElroy Tup@aol.com

FAX: (662) 842-3744

June 10, 2004

Ms Debra Taylor Tate, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

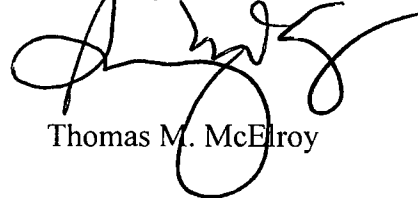
RE: Petition of Counce Natural Gas Company Rate Increase
Docket No. 04-00037

Dear Ms. Tate:

Please find enclosed the Responses of Counce Natural Gas Corporation to Discovery Request and Request for Production of Documents from the Office of the Attorney General, Consumer Advocate and Protection Division.

Please docket these responses in accordance with your usual procedures.

Sincerely,



Thomas M. McElroy

IN THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE: THE APPLICATION OF COUNCE
NATURAL GAS CORPORATION TO
INCREASE ITS RATES

DOCKET NO. 04-00034

COUNCE NATURAL GAS CORPORATION'S RESPONSES TO
FIRST SET OF DISCOVERY REQUEST, INTERROGATORIES AND REQUEST FOR
PRODUCTION BY THE CONSUMER ADVOCATE AND PROTECTION DIVISION OF
THE OFFICE OF THE ATTORNEY GENERAL

DISCOVERY REQUEST

DISCOVERY REQUEST NO. 1: Provide the dollar amount of dividends expected to be declared or paid out by Counce in the attrition year.

RESPONSE NO. 1: Zero Dollars (\$0.00).

DISCOVERY REQUEST NO. 2: Refer to Accountant's Report dated November 10, 2003. The income statement of the year ended September 30, 2003, indicates a net loss of \$44,546.00. The trial balance and the Form 1120 for the same time period both indicate a net loss of \$19,771.00. Please provide all adjustments and a narrative to reconcile the two numbers.

RESPONSE NO. 2: The accountant's report dated November 10, 2003, reflects the net loss of Counce Natural Gas Corporation only for the year ended September 30, 2003. The trial balance and the form 1120 for the same period is a consolidated report for both Counce Natural Gas Corporation and Burnsville Gas Company. The adjustments are reflected in the supporting documentation originally filed with the Petition seeking the rate increase and in the Responses to the Data Request on file with the Tennessee Regulatory Authority. Further, on the tax return the income tax basis of accounting is used. On the Rate Case filing, the basis of accounting is that prescribed by the Tennessee Regulatory Authority. The differences in the basis of accounting account for a part of the difference in the figures.

DISCOVERY REQUEST NO. 3: Has a financial audit ever been performed for Tumlinson Engineering Corporation or for Counce Natural Gas Corporation? If not, please explain why a financial audit has not been performed.

RESPONSE NO. 3: No. An audit has not been requested nor required as of the date of filing

DISCOVERY REQUEST NO. 4: Form 1120 the year ended September 30, 2001, shows Mr. Horton's salary at \$70,300.00. The next year his salary is shown as \$2,400.00 and for the year ended September 30, 2003, his salary is shown as \$19,256.00. Please explain the significant decrease in salary.

RESPONSE NO. 4: Mr. Horton's salary decreased for two reasons. First, the Counce Natural Gas Company division was losing money. Second, in 2002, the corporation began servicing a \$1,200,000 debt; therefore, there was less cash to pay officer salaries.

DISCOVERY REQUEST NO. 5: Provide all leak reports and emergency incidents related to service lines and mains. Describe all the cost over the past 3 years. Detail the cost incurred in repairing service lines and mains.

RESPONSE NO. 5: See attached Exhibits which are labeled as "Responses to Discovery Request No. 5".

DISCOVERY REQUEST NO. 6: Identify each person whom you expect to call as an expert witness at any hearing in this docket, and for each such expert witness:

- (A) Identify the field in which the witness is to be offered as an expert;
- (B) Provide complete background information, including the expert's current employer as well as his or her educational, professional and employment history, and qualifications within the field in which the witness is expected to testify, and identify all publications written or presentations presented in whole or in part by the

witness;

- (C) Provide the grounds (including without limitations any factual basis), for the opinions to which the witness is expected to testify, and provide a summary of the grounds for each such opinion;
- (D) Identify any matter in which the expert has testified (through deposition or otherwise), by specifying the name, docket number and forum of each case, the dates of the prior testimony and the subject of the prior testimony, and identify the transcripts of any such testimony
- (E) Identify the terms of the retention or engagement of each expert including byr not limited to the terms of any retention or engagement letters or agreements relating to his/her engagement, testimony, and opinions as well as the compensation to be paid for the testimony and opinions;
- (F) Identify all documents or things shown to, delivered to, received from, relied upon, or prepared by any expert witness, which are related to the witness(es)' expected testimony in this case, whether or not such documents or things provided to that expert for review in connection with testimony and opinions; and
- (G) Identify any exhibits to be used as a summary of or support for the testimony or opinions provided by the expert.

RESPONSE NO. 6: Identify each person whom you expect to call as an expert witness at any hearing in this docket, and for each such expert witness: Stephen Swetz

- (A) Financial accounting
- (B) Stephen Swetz has a bachelor's and master's degree in accounting at Mississippi

State University, has been employed with Watkins, Ward, and Stafford, PLLC (a public accounting firm located in northeast Mississippi) since January 1994, has been licensed as a certified public accountant since January 1996, but has not published or given any presentations concerning financial accounting during his career.

- (C) The conclusions that the witness has reached regarding the Counce Natural Gas Company rate case are based solely on the financial records that the witness has compiled from observations of financial related documents and inquiries with Michael and Candi Horton.
- (D) The witness has provided very limited testimony for the rate case that Counce Natural Gas Company had in 1998.
- (E) The accounting firm by which the witness is employed is to receive fees based on the actual number of hours that the witness will spend providing accounting and testimony services in this rate case proceeding.
- (F) All documents and data on which the witness will testify have been included in the original filing and all subsequent data request filings provided to the Tennessee Regulatory Authority
- (G) All exhibits have been included in the original filing and all subsequent data request filings provided to the Tennessee Regulatory Authority.

DISCOVERY REQUEST NO. 7: Provide all material, provided to, reviewed by, used by or produced by any expert or consultant retained by Counce to testify or to provide information from which another expert will testify concerning this case, including all work papers.

RESPONSE NO. 7: All materials used by any expert or consultant retained by Counce is contained with the Responses to Data Requests from the Tennessee Regulatory Authority and the Responses to Discovery Request received from the Consumer Advocate Division of the Tennessee Attorney General

DISCOVERY REQUEST NO. 8: Produce a copy of all articles, journals, books or speeches written by or co-written by any of Counce's expert witnesses, whether published or not.

RESPONSE NO. 8: None. However, if additional experts are employed, this response will be updated as may be relevant

DISCOVERY REQUEST NO. 9: State whether Counce has received any customer complaints of any kind for the period from January 12, 2000, to present, including, but not limited to, complaints regarding billing and payment, billing disputes, interruption of service, service connection, and disconnection or termination of service. For each such complaint, state the name and billing address of the complaining customer, the date or approximate time frame the Company received the complaint, the nature of the complaint, the action the company has taken to address or resolve the complaint, and the current disposition of the complaint

RESPONSE NO. 9: None.

REQUEST FOR PRODUCTION OF DOCUMENTS

REQUEST FOR PRODUCTION OF DOCUMENTS NO. 1: Produce all copies of all documents provided to, reviewed by or produced by any expert or consultant retained by Counce to testify or to provide information from which another expert or consultant will testify concerning this case.

RESPONSE NO. 1: All documentation relied upon by Steven J. Swetz has been produced either in response to Data Requests from the Tennessee Regulatory Authority or Discovery Requests from

the Consumer Advocate Division of the Tennessee Attorney General's Office.

REQUEST FOR PRODUCTION OF DOCUMENTS NO. 2: Produce a copy of all work papers of Counce's proposed experts, including but not limited to: file notes, chart notes, tests, test results, computations, interview and/or consult notes, and all other file documentation that any of Counce's expert witnesses in any way used, created, generated or consulted in connection with the evaluation, conclusions and opinion in this matter.

RESPONSE NO. 2: See response to Request for Production No. 1.

REQUEST FOR PRODUCTION OF DOCUMENTS NO. 3: Produce a copy of all trade articles, journals, treatises and publications of any kind in any way utilized or relied upon by any of Counce's proposed expert witnesses in evaluating, reaching conclusions or formulating an opinion in this matter.

RESPONSE NO. 3: None.

REQUEST FOR PRODUCTION OF DOCUMENTS NO. 4: Produce a copy of all documents which relate or pertain to any factual information provided to, gathered by, utilized or relied upon by any of Counce's proposed expert witness in evaluating, reaching conclusions or formulating an opinion in this matter.

RESPONSE NO. 4: See response to Request for Production No. 1.

REQUEST FOR PRODUCTION OF DOCUMENTS NO. 5: Produce a copy of any exhibits to be used as a summary of or support for the testimony or opinions provided by any of Counce's proposed expert witnesses.

RESPONSE NO. 5: See response to Request for Production No. 1.

REQUEST FOR PRODUCTION OF DOCUMENTS NO. 6: Produce copies of any and all documents referred to or relied upon in responding to the Consumer Advocate's discovery request

RESPONSE NO. 6: See response to Request for Production No. 1.

REQUEST FOR PRODUCTION OF DOCUMENTS NO. 7: Produce copies of any and all documents referred to or relied upon in responding to the CAPD's discovery request.

RESPONSE NO. 7: See response to Request for Production No. 1.

Respectfully submitted,

COUNCE NATURAL GAS CORPORATION

By: 

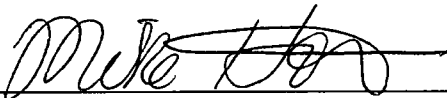
THOMAS M MCELROY

Attorney for Counce Natural Gas Co

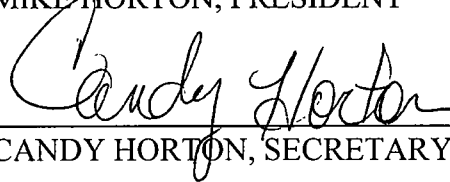
ACKNOWLEDGMENT

Mike Horton, President of Counce Natural Gas Corporation, and Candy Horton, Secretary of Counce Natural Gas Corporation, who being first duly sworn, and state that the responses of Counce Natural Gas Corporation to the Discovery Requests of the Consumer Protection Division of the Office of the Attorney General are true and accurate to the best of their knowledge and belief.

Dated this the 10th day of June, 2004.



MIKE HORTON, PRESIDENT

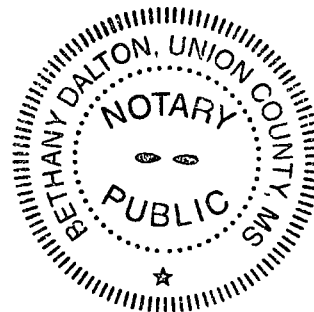


CANDY HORTON, SECRETARY

Sworn to and subscribed before me, Bethany M. Dalton, this the 10th day of June, 2004


NOTARY PUBLIC

MY COMMISSION EXPIRES: 1-14-06



CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the foregoing was mailed, postage prepaid to:

Ms. Debra Taylor Tate
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Shilina B. Chatterjee
Assistant Attorney General
Consumer Advocate and Protection Division
P. O. Box 20207
Nashville, TN 37202

Dated: June 10, 2004



THOMAS M. MCELROY

TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

April 22, 2004

Mr. Mike Horton
Counce Natural Gas System
P O Box 285
Burnesville, MS 38833-0285

Re: Report of Natural Gas Safety Inspection #04-079

Dear Mr. Horton:

On April 6, 2004, a representative of the Tennessee Regulatory Authority Gas Pipeline Safety Division conducted an inspection of your gas system and found no violations of the Code of Federal Regulations, Title 49, Transportation of Natural and Other Gas by Pipeline, Minimum Federal Safety Standards. A copy of the Natural Gas Safety Inspection Report Number 04-079 is enclosed for your information and file.

If you have any questions pertaining to this report, please do not hesitate to contact us at 1-800-342-8359, extension 184. Thank you for your cooperation in matters relative to gas pipeline safety.

Sincerely,

A handwritten signature in black ink, appearing to read "Glynn Blanton".

Glynn Blanton, Chief
Gas Pipeline Safety Division

GB/vnm

Enclosure

c. Clift Phillips

TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

REPORT OF NATURAL GAS SAFETY INSPECTION #04-079

OPERATOR: Counce Natural Gas – Counce, Tennessee

PERSON(S) CONTACTED: Mike Horton - Manager

INSPECTION DATE: 4/6/04

TRA ENGINEER: Clift Phillips

=====
Any questions pertaining to this report may be directed to the above address or by telephoning (615) 741-2844 ext. 187. (Call toll-free within Tennessee at 1-800-342-8359, extension 187.)

1. **PURPOSE OF INSPECTION:** To perform an Operator Qualification (OQ) inspection of the Counce Natural Gas for compliance with the Minimum Federal Safety Standards (MFSS) Part 192 Section N.

2 VIOLATION(S) OF THE MINIMUM FEDERAL SAFETY STANDARDS:

- A Violation(s) Cited this Inspection: None
- B Violation(s) Previously Cited: None
- C. Violation(s) Closed this Inspection: None

3 OBSERVATIONS, COMMENTS, AND RECOMMENDATIONS:

The operator's OQ plan is an off-the-shelf plan purchased from Work and Greer. The operator has modified parts of the plan to be specific to the operator's tasks and procedures. The covered tasks are identified in Appendix B of the plan. The reevaluation range of the covered tasks has been set between one to three years. The welding tasks must be reevaluated every year, while all the other tasks have a 3 year reevaluation period. Employees take training courses with written tests and perform field evaluations to become qualified for a covered task. Work performance history review is not allowed to be the sole means of qualification. Counce Natural Gas has one covered employees and one contract company that perform covered tasks. Currently all the employees are qualified to perform tasks that are listed in their job description.

Several items were identified during this inspection that should be addressed. These issues will be discussed by the protocol they were identified with.

Protocol 1.04 The operator stated and had documentation that training is performed before an evaluation is taken, but specific information about training is not stated in the OQ plan. The operator should state in the OQ plan the training methods used for each task. The plan did establish the person responsible for scheduling training.

Protocol 2.02 The operator's OQ plan does not specifically describe the evaluation methods for each task. The plan should state the evaluations an employee must take to be considered qualified. The documentation of these evaluations should be task and person specific.

Protocol 3.02 The operator's OQ plan does not discuss limitations on tasks that can be performed by non-qualified individuals (i.e. welding).

Protocol 4.02 The operator could not produce a list of abnormal operating conditions AOC's for each task. The operator's OQ plan does not address how the AOC's are to be addressed to the employees for the purpose of qualifying (i.e. training).

Protocol 5.02 The reevaluation interval is stated in the OQ plan to be within 3 years. However the plan does not address specifically how the reevaluation will be performed. The operator should develop a method for reevaluating individuals and state this method in the OQ plan.

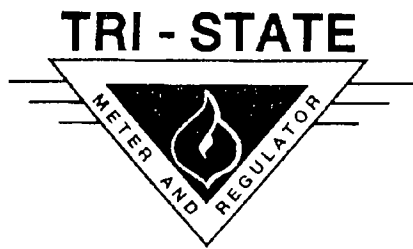
Protocol 6.01 The operator should develop a procedure to evaluate the OQ plan's effectiveness. This procedure should be written into the OQ plan.

Protocol 8.01 The operator's OQ plan should specifically state the steps performed when a change is made. Currently the plan generically outlines this process.

A field evaluation was not performed because the operator was not performing any covered tasks.

Thank you for your cooperation concerning natural gas pipeline safety.

4 **ACTION REQUIRED BY OPERATOR:** Continue to operate and maintain your system within the guidelines of the Minimum Federal Safety Standards. Comply with all recommendations and requirements listed above.



2865 Rudder Road
Memphis, TN 38118
1-901-363-0377

NATURAL GAS LEAK SURVEY REPORT

Tri-State Meter And Regulator Service, Inc was hereby retained by Counce Gas System to conduct a survey of the natural gas pipeline and services described in the following report

This leak survey was conducted in accordance to the u s department of transportation and office of pipeline safety specifications

This survey was conducted exclusively on pipeline and services under the guidance of Scott Horton All surveillance was conducted with their knowledge of pipeline and service locations

Survey locations are listed as follows

Survey location Counce, Tn

Start date 9/26/03 End date 9/26/03 Number of days 1

Guide provided Yes number of leak cases 9

Leak detector type used: Heath Detecto-Pak III

Leak class breakdown

Class 1 0

Class 2: 0

Class 3 9

Residential services inspected Yes

All services checked Yes

Commercial services inspected Yes

All services checked Yes

Industrial services inspected Yes

All services checked Yes

Main line inspected Yes

All main line checked Yes

Number of main line leaks: 0

Survey Conducted By Joe Quillin

Assistant None

Comments all leaks located were marked with yellow paint Overall condition of pipeline and services were found in average condition This survey covered the entire gas system

Recommendations: a licensed plumber should examine the leaks found in this report it will be their determination as to whether faulty equipment or pipeline should be replaced or repaired



2865 Rudder Road
Memphis, TN 38118
1-901-363-0377

Leak grade interpretation no.1 leak: 66-100%

No.2 leak: 6-65%

No.3 leak: trace -5%.

No.1 leaks: should be repaired immediately.

No.2 leaks: repair soon.

No.3 leaks: repair or check each year.

Factors determining the grades of leaks are, concentration, proximity to buildings, gas pressure, area of spread, vegetation damage, distance from source and gas in underground structures

In those cases where a written gas company procedure was not available, assignment of grade is to establish repair priority

All leaks judged to be an imminent hazard were promptly reported regardless of procedure or classification

Pinpointing leaks shown on report are centered and should be carefully tested above all adjacent lines before excavation. Maximum leak indications are usually above the source

Tri-State Meter and Regulator Services, Inc.

2865 Rudder Road - Memphis, Tennessee 38118 - 901.363.0377

Address

TVA LODGES

City/ County

COUNCE / MCNAIRY

State/ Dist.

TN

Address

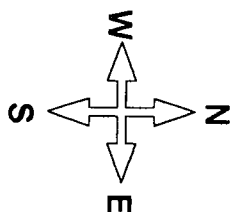
TVA LODGES

City/ County

COUNCE / MCNAIRY

State/ Dist.

TN



Case #	1	Date	09/26/03
Classification	Grade 1	Grade 2	X Grade 3
Meter #	<div style="display: flex; justify-content: space-between;"> <div> #1 Riser #2 HP Cock X #3 Regulator #4 LP Cock #5 Inlet Loop #6 Inlet Cap & Swivel #7 Outlet Cap & Swivel #8 Outlet Loop #9 Fuel Line Fitting #10 Gas Meter #11 Index #12 Fuel line </div> <div> </div> </div>		
		Inside	X Outside

Detection	Location		Soil Sub	CGI / EGD	Pressure	Surface	Pipe	Size	Weather Conditions
X Mobile FI	Inside Building	Main	Rock	% Gas	SP (0-1)	X Grass	Steel	5-75	X Sunny
Flame Pack	X Outside Building	Service	Cinder	LEL	IP (1-30)	X Dirt	PE	1-1 25	Overcast
Visual Vegetation	Manhole	Tap	X Clay	UEL	X MP (31-60)	Asphalt	Cast Iron	1 5-2 5	Cloudy
CGI / EGD	Underground	Valve	Loam	PPM	HP (61-99 9)	Concrete	CSST	X 2 5-3	Misting
Odor	Atmosphere	X Meter Center	Sand	Other	XHP (100-399)	Sidewalk	Other	3 5-4	Rainy
Other	Other	Other	Alluvian		XXHP (400-900)	Other	Size	4 5-6	Hot(85-100)
								8-12	Cold(0-40)

Leak Cause	Component & Explanation	Part of System	Pipe & Size	Location Area	Repair Data
Corrosion	Pipe	Transmission	X Steel	Residential	Number Of Leaks
Outside Force	Valve	Main	Cast Iron	Rural	Bare
Construction Defect	X Fitting	Service	Ductile Iron	X Commercial	Coated
Material Defect	Drip	X Meter Set	Copper	Industrial	Date Repaired
Other	Regulator	Customer Pipe	Plastic		Date Rechecked
	Tap Connection	Other	Other		Positive
	Other				Negative
Remarks	LEAK LOCATED @ INLET REGULATOR FLANGES				

Tri-State Meter and Regulator Services, Inc.

2865 Rudder Road - Memphis, Tennessee 38118 - 901.363.0377

Address

BOAT STORAGE & CABINS - HWY 57

City/ County

COUNCE / MCNAIRY

State/ Dist.

TN

Address

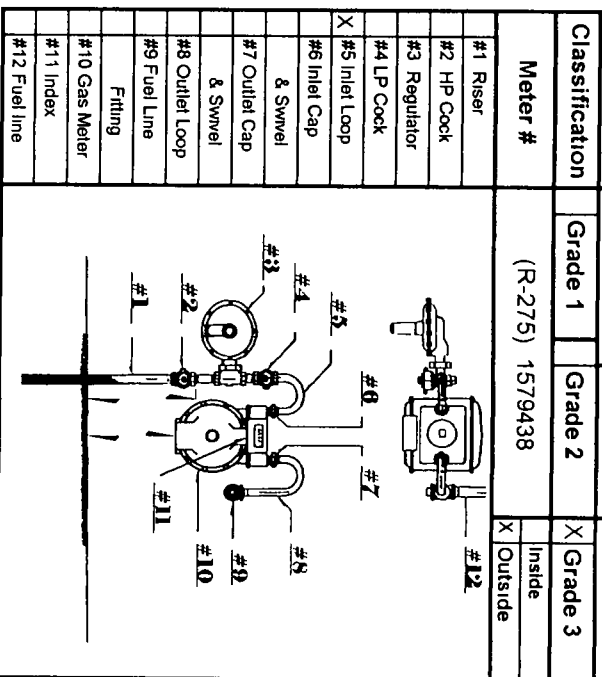
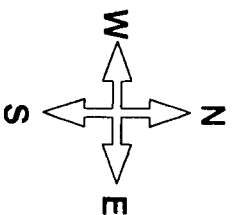
BOAT STORAGE & CABINS - HWY 57

City/ County

COUNCE / MCNAIRY

State/ Dist.

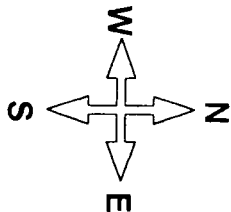
TN



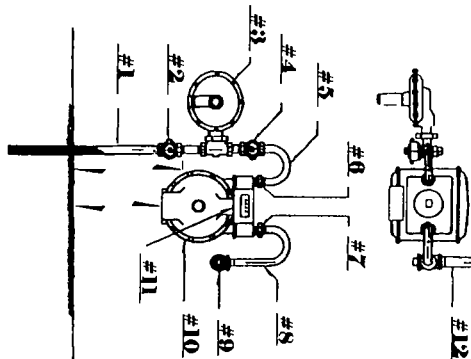
Detection	Location		Soil Sub	CGI / EGD	Pressure	Surface	Pipe	Size	Weather Conditions
X Mobile FI	Inside Building	Main	Rock	% Gas	SP (0-1)	Grass	Steel	5-75	X Sunny
Flame Pack	X Outside Building	Service	Cinder	LEL	IP (1-30)	X Dirt	PE	1-1 25	Overcast
Visual Vegetation	Manhole	Tap	X Clay	UEL	X MP (31-60)	Asphalt	Cast Iron	1 5-2 5	Cloudy
CGI / EGD	Underground	Valve	Loam	PPM	HP (61-99 9)	Concrete	CSST	2 5-3	Misting
Odor	Atmosphere	X Meter Center	Sand	Other	XHP (100-399)	Sidewalk	Other	3 5-4	Rainy
Other	Other	Other	Alluvian		XXHP (400-900)	Other	Size	4 5-6	Hot(85-100)
								8-12	Cold(0-40)

Leak Cause	Component & Explanation	Part of System	Pipe & Size	Location Area	Repair Data
Corrosion	Pipe	Transmission	X Steel	Residential	Number Of Leaks
Outside Force	Valve	Main	Cast Iron	Rural	1
Construction Defect	X Fitting	Service	Ductile Iron	X Commercial	Bare
Material Defect	Drip	X Meter Set	Copper	Industrial	Coated
Other	Regulator	Customer Pipe	Plastic		Date Repaired
	Tap Connection	Other	Other		Date Rechecked
	Other				Positive
					Negative
Remarks:	LEAK LOCATED @ INLET METER LOOP				

Tri-State Meter and Regulator Services, Inc.		2865 Rudder Road - Memphis, Tennessee 38118 - 901.363.0377	
Address		6210 HWY 57	City/ County
COUNCE / MCNAIRY		State/ Dist.	TN



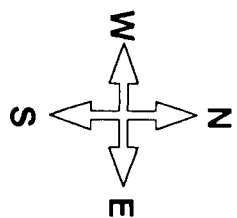
Case #	3	Date	09/26/03
Classification	Grade 1	Grade 2	X Grade 3
Meter #	(R-275) 1719059		
X #1 Riser	X #12		
#2 HP Cock			
#3 Regulator			
#4 LP Cock			
#5 Inlet Loop			
#6 Inlet Cap			
#7 Outlet Cap			
#8 Outlet Loop			
#9 Fuel Line			
Fitting			
#10 Gas Meter			
#11 Index			
#12 Fuel line			



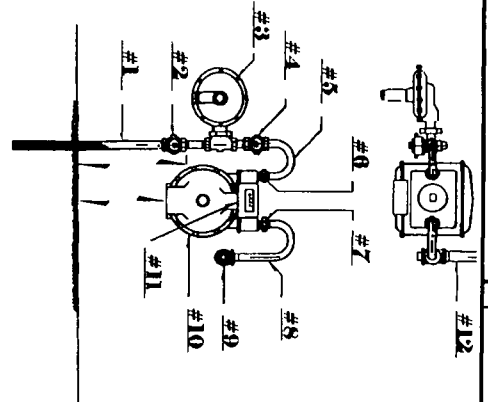
Detection	Location		Soil Sub	CGI / EGD	Pressure	Surface	Pipe	Size	Weather Conditions
X Mobile FI	Inside Building	Main	Rock	% Gas	SP (0-1)	X Grass	Steel	5-75	X Sunny
Flame Pack	Outside Building	Service	Cinder	LEL	IP (1-30)		PE	X 1-1.25	Overcast
Visual Vegetation	Manhole	Tap	X Clay	UEL	X MP (31-60)	Asphalt	Cast Iron	1.5-2.5	Cloudy
CGI / EGD	Underground	Valve	Loam	PPM	HP (61-99.9)	Concrete	CSST	2.5-3	Misting
Odor	X Atmosphere	X Meter Center	Sand	Other	XHP (100-399)	Sidewalk	Other	3.5-4	Rainy
Other	Other	Other	Alluvian		XXHP (400-900)	Other	Size	4.5-6	Hot(85-100)
								8-12	Cold(0-40)

Leak Cause	Component & Explanation	Part of System	Pipe & Size	Location Area	Repair Data
Corrosion	Pipe	Transmission	X Steel	X Residential	Number Of Leaks
Outside Force	Valve	Main	Cast Iron	Rural	Bare
Construction Defect	X Fitting	Service	Ductile Iron	Commercial	Coated
Material Defect	Drip	X Meter Set	Copper	Industrial	Date Repaired
Other	Regulator	Customer Pipe	Plastic		Date Rechecked
	Tap Connection	Other	Other		Positive
	Other				Negative
Remarks:	LEAK LOCATED @ 1"x3/4" BELL REDUCER ON INLET RISER				

Tri-State Meter and Regulator Services, Inc.		2865 Rudder Road - Memphis, Tennessee 38118 - 901.363.0377	
Address		MAVERICK TUBING	City/ County
COUNCE / MCNAIRY		State/ Dist	TN



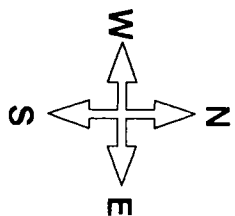
Case #	6	Date	09/26/03
Classification	Grade 1	Grade 2	X Grade 3
Meter #	(AMERICAN) 5364587		
#1 Riser	X		
#2 HP Cock	X		
#3 Regulator	X		
#4 LP Cock	X		
#5 Inlet Loop	X		
#6 Inlet Cap	X		
#7 Outlet Cap	X		
#8 Outlet Loop	X		
#9 Fuel Line	X		
Fitting	X		
#10 Gas Meter	X		
#11 Index	X		
#12 Fuel line	X		



Detection	Location		Soil Sub	CGI / EGD	Pressure	Surface	Pipe	Size	Weather Conditions
X Mobile FI	Inside Building	Main	Rock	% Gas	SP (0-1)	Grass	Steel	5-75	X Sunny
Flame Pack	X Outside Building	Service	Cinder	LEL	IP (1-30)	Dirt	PE	1-1.25	Overcast
Visual Vegetation	Manhole	Tap	X Clay	UEL	X MP (31-60)	Asphalt	Cast Iron	1.5-2.5	Cloudy
CGI / EGD	Underground	Valve	Loam	PPM	HP (61-99.9)	X Concrete	CSSST	X 2.5-3	Misting
Odor	Atmosphere	X Meter Center	Sand	Other	XHP (100-399)	Sidewalk	Other	3.5-4	Rainy
Other	Other	Other	Alluvian		XXHP (400-900)	Other	Size	4.5-6	Hot(85-100)
								8-12	Cold(0-40)

Leak Cause	Component & Explanation	Part of System	Pipe & Size	Location Area	Repair Data
Corrosion	Pipe	X Transmission	X Steel	Residential	Number Of Leaks
Outside Force	X Valve	Main	Cast Iron	Rural	Bare
Construction Defect	Fitting	Service	Ductile Iron	Commercial	Coated
Material Defect	Drip	X Meter Set	Copper	X Industrial	Date Repaired
Other	Regulator	Customer Pipe	Plastic		Date Rechecked
	Tap Connection	Other	Other		Positive
Remarks	LEAK LOCATED @ FLANGES ON INLET SHUT OFF VALVE				

Tri-State Meter and Regulator Services, Inc.		2865 Rudder Road - Memphis, Tennessee 38118 - 901.363.0377	
Address	130 PREACHER RD	City/ County	COUNCE / MCNAIRY
		State/ Dist	TN



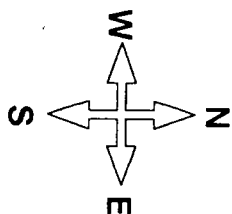
Case #	7,8	Date	09/26/03
Classification	Grade 1	Grade 2	X Grade 3
Meter #	(R-275) 1719048		
		Inside	X Outside

Detection	Location		Soil Sub	CGI / EGD	Pressure	Surface	Pipe	Size	Weather Conditions
X Mobile FI	Inside Building	Main	Rock	% Gas	SP (0-1)	Grass	Steel	5-75	Sunny
Flame Pack	X Outside Building	Service	Cinder	LEL	IP (1-30)	X Dirt	X PE	X 1-1 25	Overcast
Visual Vegetation	Manhole	Tap	X Clay	UEL	X MP (31-60)	Asphalt	Cast Iron	1 5-2 5	X Cloudy
CGI / EGD	Underground	Valve	Loam	PPM	HP (61-99 9)	Concrete	CSST	2 5-3	Misting
Odor	Atmosphere	X Meter Center	Sand	Other	XHP (100-399)	Sidewalk	Other	3 5-4	Rainy
Other	Other	Other	Alluvian		XXHP (400-900)	Other	Size	4 5-6	Hot(85-100)
								8-12	Cold(0-40)

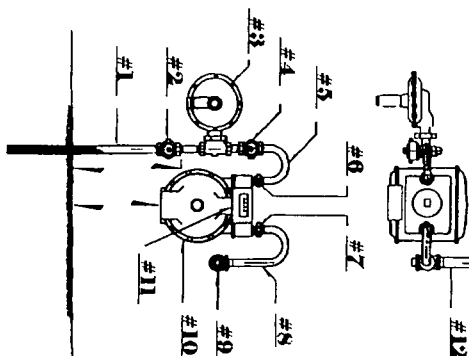
Leak Cause	Component & Explanation	Part of System	Pipe & Size	Location Area	Repair Data
Corrosion	Pipe	Transmission	X Steel	X Residential	Number Of Leaks
Outside Force	X Valve	Main	Cast Iron	Rural	Bare
Construction Defect	Fitting	Service	Ductile Iron	Commercial	Coated
Material Defect	Drip	X Meter Set	Copper	Industrial	Date Repaired
Other	X Regulator	Customer Pipe	Plastic		Date Rechecked
	Tap Connection		Other		Positive
	Other				Negative

Remarks:	#7 LEAK LOCATED @ INLET SHUT OFF VALVE
	#8 LEAK LOCATED @ REGULATOR VENT

Tri-State Meter and Regulator Services, Inc.		2865 Rudder Road - Memphis, Tennessee 38118 - 901.363.0377	
Address	755 HINTON RD	City/ County	COUNCE / MCNAIRY
		State/ Dist	TN

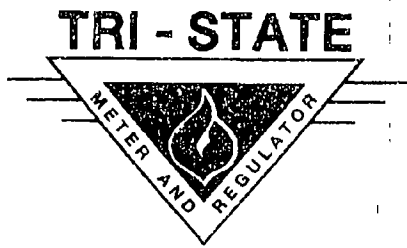


Case #	9	Date	09/26/03
Classification	Grade 1	Grade 2	X Grade 3
Meter #	(AMERICAN 250)		
#1 Riser	X		
#2 HP Cock	X		
#3 Regulator	X		
#4 LP Cock	X		
#5 Inlet Loop	X		
#6 Inlet Cap	X		
#7 Outlet Cap	X		
#8 Outlet Loop	X		
#9 Fuel Line	X		
Fitting	X		
#10 Gas Meter	X		
#11 Index	X		
#12 Fuel line	X		



Detection	Location		Soil Sub	CGI / EGD	Pressure	Surface	Pipe	Size	Weather Conditions
X Mobile FI	Inside Building	Main	Rock	% Gas	SP (0-1)	Grass	Steel	5-75	Sunny
Flame Pack	X Outside Building	Service	Cinder	LEL	IP (1-30)	X Dirt	PE	X 1-1 25	Overcast
Visual Vegetation	Manhole	Tap	X Clay	UEL	X MP (31-60)	Asphalt	Cast Iron	1 5-2 5	X Cloudy
CGI / EGD	Underground	Valve	Loam	PPM	HP (61-99 9)	Concrete	CSST	2 5-3	Misting
Odor	Atmosphere	X Meter Center	Sand	Other	XHP (100-399)	Sidewalk	Other	3 5-4	Rainy
Other	Other	Other	Alluvian		XXHP (400-900)	Other	Size	4 5-6	Hot(85-100)
								8-12	Cold(0-40)

Leak Cause	Component & Explanation	Part of System	Pipe & Size	Location Area	Repair Data
Corrosion	Pipe	Transmission	X Steel	Residential	Number Of Leaks
Outside Force	Valve	Main	Cast Iron	X Rural	Bare
Construction Defect	X Fitting	Service	Ductile Iron	Commercial	Coated
Material Defect	Drip	X Meter Set	Copper	Industrial	Date Repaired
Other	Regulator	Customer Pipe	Plastic		Date Rechecked
	Tap Connection	Other	Other		Positive
Remarks.	LEAK LOCATED @ INLET CAP & SWIVEL				



2865 Rudder Road
Memphis, TN 38118
1-901-363-0377

Leak grade interpretation no.1 leak: 66-100%

No.2 leak: 6-65%

No.3 leak: trace -5%.

No.1 leaks: should be repaired immediately.

No.2 leaks: repair soon.

No.3 leaks: repair or check each year.

Factors determining the grades of leaks are, concentration, proximity to buildings, gas pressure, area of spread, vegetation damage, distance from source and gas in underground structures.

In those cases where a written gas company procedure was not available, assignment of grade is to establish repair priority

All leaks judged to be an imminent hazard were promptly reported regardless of procedure or classification

Pinpointing leaks shown on report are centered and should be carefully tested above all adjacent lines before excavation. Maximum leak indications are usually above the source

TRI-STATE



2865 RUDDER ROAD • P O BOX 18061 • MEMPHIS, TENNESSEE 38118 • PHONE 363-0377

LEAKAGE INSPECTION - LOCATION REPORT

ADDRESS Hwy 57 & Little Andy Loop
CITY/COUNTY Counce / Hardin STATE TN
DISTRICT _____

Page No. 1
Field Case No. 1
Date 8-2-07

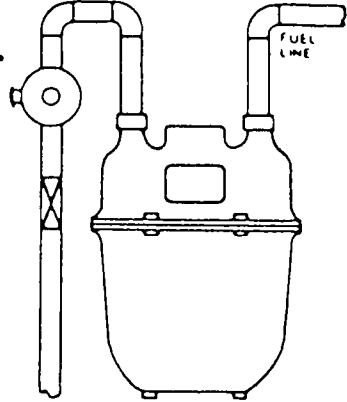
GRADE OF CASE

SUMMARY

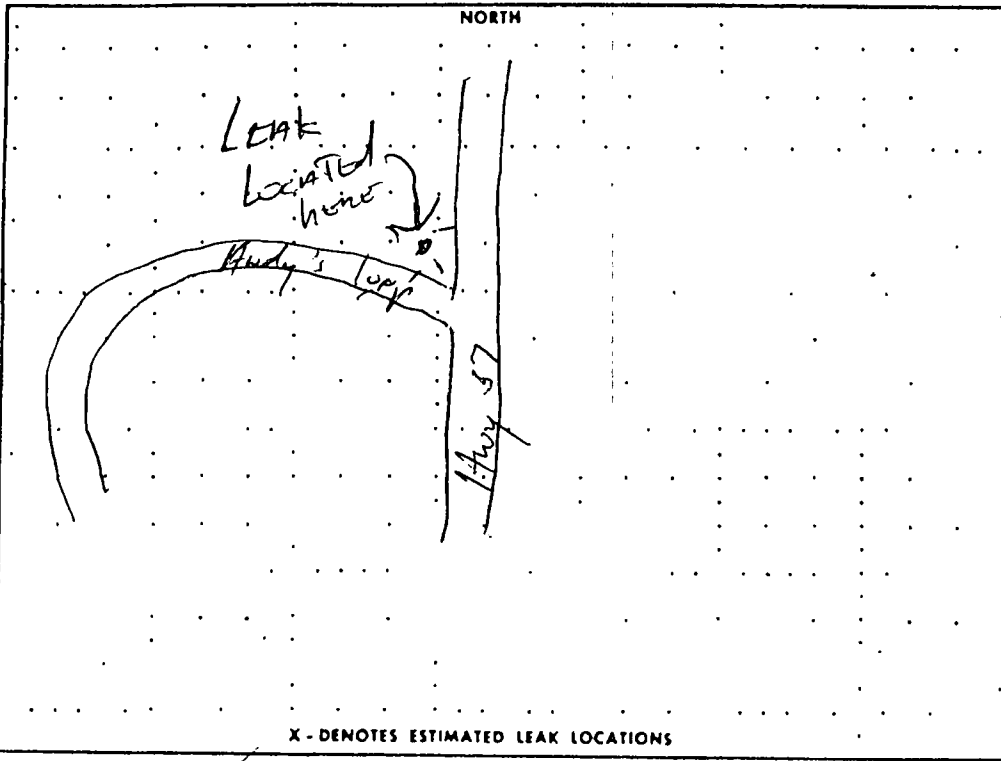
GRADE 1 _____
GRADE 2 _____
GRADE 3 X

METER SET

Meter No. _____
(IF INSPECTED)



INSIDE ☐ OUTSIDE ☐



X - DENOTES ESTIMATED LEAK LOCATIONS

LEAK DATA

DETECTED BY	COLLECTING	PROBABLE SOURCE	SOIL	VENTED C G I TEST	PRESSURE	SURFACE	PIPE & SIZE
Mobile Flame Pack	In Building	Main	Rock	Gas %	Low	Lawn	Steel
Flame Pack	Near Bldg	Service	Cinders	REL %	I P	Soil	Plastic
Visual/Vegetation	In Man Hole	Service Tap	Clay	PPM	High	Paved	Cast Iron
Combustible Meter	In Soil	Valve	Loam	Negative	Transmission	Other	Other
Odor	In Air	Meter Set	Sand				
Other	Other	Other	Other				

REMARKS - VEGETATION DAMAGE

Leak Located on Valve box 10' off Hwy 57 AT Intersection
Listed Above.

AREA LOCATION COMMERCIAL ☐ INDUSTRIAL ☐ RESIDENTIAL ☐ RURAL ☐

REPAIR DATA

LEAK CAUSE	COMPONENT & EXPLANATION	PART OF SYSTEM	PIPE & SIZE	REPAIR DATA
Corrosion	Pipe	Transmission	Steel	Number of Leaks
Outside Force	Valve	Main	Cast Iron	Bare
Construction Defect	Fitting	Service	Ductile Iron	Coated
Material Failure	Drip	Meter Set	Copper	Date Repaired
Other	Regulator	Customer Pipe	Plastic	Date Rechecked
	Tap Connection	Other	Other	Positive <input type="checkbox"/> Negative <input type="checkbox"/>
	Other			

REMARKS



2865 Rudder Road
Memphis, TN 38118
1-901-363-0377

NATURAL GAS LEAK SURVEY REPORT

Tri-State Meter And Regulator Service, Inc was hereby retained by Town of Counce to conduct a survey of the natural gas pipeline and services described in the following report.

This leak survey was conducted in accordance to the u.s. department of transportation and office of pipeline safety specifications.

This survey was conducted exclusively on pipeline and services under the guidance of Scott Horton . All surveillance was conducted with their knowledge of pipeline and service locations

Survey locations are listed as follows

Survey location. Counce, Tn

Start date 5/28/02**End date** 5/28/02 **Number of days** 1

Guide provided: Yes **number of leak cases** 5

Leak detector type used: Heath Detecto-Pak III

Leak class breakdown

Class 1: 0

Class 2: 0

Class 3.5

Residential services inspected: No

All services checked: No

Commercial services inspected: Yes

All services checked: Yes

Industrial services inspected: Yes

All services checked: Yes

Main line inspected: Yes

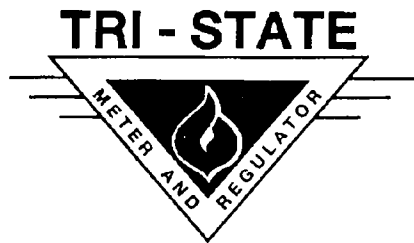
All main line checked: Yes

Number of main line leaks: 1

Survey Conducted By Charles Raines

Assistant. None

Comments. all leaks located were marked with yellow paint. Overall condition of pipeline and services were found in average condition This survey covered the buisness section along hwy 57, all churches and public state parks



2865 Rudder Road
Memphis, TN 38118
1-901-363-0377

Recommendations: a licensed plumber should examine the leaks found in this report it will be their determination as to whether faulty equipment or pipeline should be replaced or repaired

Leak grade interpretation no.1 leak: 66-100%

No.2 leak: 6-65%

No.3 leak: trace -5%.

No.1 leaks: should be repaired immediately.

No.2 leaks: repair soon.

No.3 leaks: repair or check each year.

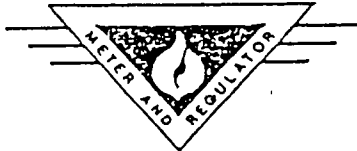
Factors determining the grades of leaks are, concentration, proximity to buildings, gas pressure, area of spread, vegetation damage, distance from source and gas in underground structures

In those cases where a written gas company procedure was not available, assignment of grade is to establish repair priority.

All leaks judged to be an imminent hazard were promptly reported regardless of procedure or classification

Pinpointing: leaks shown on report are centered and should be carefully tested above all adjacent lines before excavation Maximum leak indications are usually above the source

TRI-STATE



2865 RUDDER ROAD • P O. BOX 18061 • MEMPHIS, TENNESSEE 38118 • PHONE 363-0377

LEAKAGE INSPECTION - LOCATION REPORT

ADDRESS Flower Shop Hwy 57
CITY/COUNTY Counce / Hardin STATE TN
DISTRICT _____

Page No. 1
Field Case No. 1
Date 5-28-02

GRADE OF CASE

SUMMARY

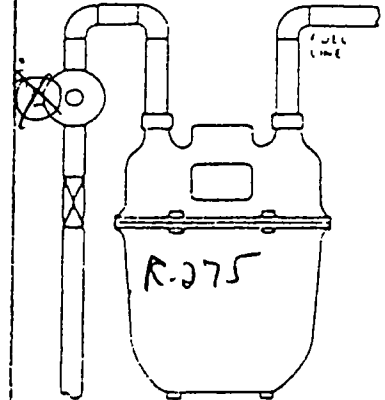
GRADE 1

GRADE 2

GRADE 3 X

METER SET

Meter No. 7270190
(IF INSPECTED)



INSIDE ☐ OUTSIDE ☐

X - DENOTES ESTIMATED LEAK LOCATIONS

LEAK DATA

DETECTED BY	COLLECTING	PROBABLE SOURCE	SOIL	VENTED CGI TEST	PRESSURE	SURFACE	PIPE & SIZE
Mobile Flame Pack	<input checked="" type="checkbox"/> In Building	Main	Rock	Good	Low	Lawn	Steel
Flame Pack	Near Bldg	Service	Cinder	CEL	IP	Soil	Plastic
Visual/Vegetation	In Man Hole	Service Tap	Clay	PPM	High	Paved	Cast Iron
Combustible Meter	In Soil	Valve	Loam	Negative	Transmission	Other	Other
Odor	In Air	<input checked="" type="checkbox"/> Meter Set	<input checked="" type="checkbox"/> Sand				
Other	Other	Other	Other				

REMARKS - VEGETATION DAMAGE

Leak Located on Regulator Vent.

AREA LOCATION COMMERCIAL ☒ INDUSTRIAL ☐ RESIDENTIAL ☐ RURAL ☐

REPAIR DATA

LEAK CAUSE	COMPONENT & EXPLANATION	PART OF SYSTEM	PIPE & SIZE	REPAIR DATA
Corrosion	Pipe	Transmission	Steel	Number of Leaks
Outside Force	Valve	Main	Cast Iron	Bare
Construction Defect	Fitting	Service	Ductile Iron	Coated
Material Failure	Drp	Meter Set	Copper	Date Repaired
Other	Regulator	Customer Pipe	Plastic	Date Rechecked
	Tap Connection	Other	Other	Positive <input type="checkbox"/> Negative <input type="checkbox"/>
	Other			

REMARKS



2865 RUDDER ROAD • P. O. BOX 18061 • MEMPHIS, TENNESSEE 38118 • PHONE: 363-0377

LEAKAGE INSPECTION - LOCATION REPORT

ADDRESS Regulation Station Hwy 57
 CITY/COUNTY Counce / Hardin STATE TN
 DISTRICT _____

Page No. 2
 Field Case No. 2
 Date 5-28-02

NORTH

X - DENOTES ESTIMATED LEAK LOCATIONS

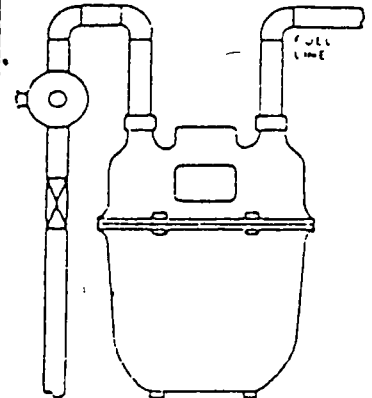
GRADE OF CASE

SUMMARY

GRADE 1
 GRADE 2
 GRADE 3 X

METER SET

Meter No. _____
 (IF INSPECTED)



INSIDE ☐ OUTSIDE ☐

LEAK DATA

DETECTED BY	COLLECTING	PROBABLE SOURCE	SOIL	VENTED CGI TEST	PRESSURE	SURFACE	PIPE & SIZE
Mobile Flame Pack	<input checked="" type="checkbox"/> In Building	Main	Rock	Gus % <input checked="" type="checkbox"/>	Low	Lawn	Steel
Flame Pack	<input type="checkbox"/> Near Bldg	Service	Cinder	SEL %	1 P	Soil	Plastic
Visual/Vegetation	<input type="checkbox"/> In Man Hole	Service Tap	Clay	P.P. <input checked="" type="checkbox"/>	High	Paved	Cast Iron
Combustible Meter	<input type="checkbox"/> In Soil	Valve	Loam	Negative	Transmission	Other	Other
Odor	<input type="checkbox"/> In Air	<input checked="" type="checkbox"/> Meter Set	Sand	<input checked="" type="checkbox"/>			
Other	<input type="checkbox"/> Other	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Other				

REMARKS - VEGETATION DAMAGE

Leak Located on Inlet side Flange on Valve on
Regulator Run on West side

AREA LOCATION COMMERCIAL ☒ INDUSTRIAL ☐ RESIDENTIAL ☐ RURAL ☐

REPAIR DATA

LEAK CAUSE	COMPONENT & EXPLANATION	PART OF SYSTEM	PIPE & SIZE	REPAIR DATA
Corrosion	Pipe	Transmission	Steel	Number of Leaks
Oxide Force	Valve	Main	Cast Iron	Bare
Construction Defect	Fitting	Service	Ductile Iron	Coated
Material Failure	Drip	Meter Set	Copper	Date Repaired
Other	Regulator	Customer Pipe	Plastic	Date Rechecked
	Tap Connection	Other	Other	Positive <input type="checkbox"/> Negative <input type="checkbox"/>
	Other			

REMARKS



2865 RUDDER ROAD • P O. BOX 18061 • MEMPHIS, TENNESSEE 38118 • PHONE 363-0377

LEAKAGE INSPECTION — LOCATION REPORT

ADDRESS Hwy 57 & Little Andy Blvd.
 CITY/COUNTY COLUMBIA / HARDIN STATE TN
 DISTRICT _____

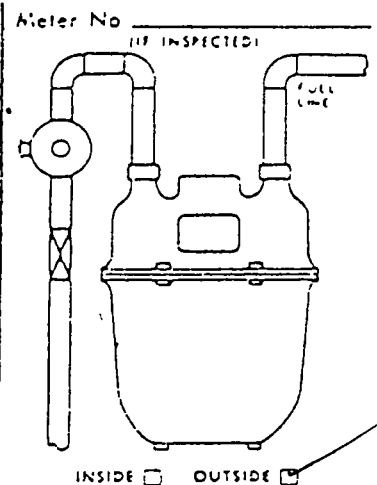
Page No. 3
 Field Case No. 3
 Date 5-28-03

GRADE OF CASE

SUMMARY

GRADE 1
 GRADE 2
 GRADE 3 X

METER SET



X - DENOTES ESTIMATED LEAK LOCATIONS

LEAK DATA

DETECTED BY	COLLECTING	PROBABLE SOURCE	SOIL	VENTED CGI TEST	PRESSURE	SURFACE	PIPE & SIZE
Mobile Flame Pack	In Building	Main	Rock	Gas %	Low	Low	Steel
Flame Pack	Near Bldg	Service	Cinder	LEL %	1 P	Soil	Plastic
Visual/Vegetation	In Man Hole	Service Tap	Clay	PPM	High	Paved	Cast Iron
Combustible Meter	In Soil	Valve	Loam	Negative	Transmission	Other	Other
Odor	In Air	Meter Set	Sand				
Other	Other	Other	Other				

REMARKS — VEGETATION DAMAGE

Underground leak ON 1/2" Pipe Valve AT THE
corner of Hwy 57 & Little Andy Rd.

AREA LOCATION COMMERCIAL ☒ INDUSTRIAL ☐ RESIDENTIAL ☐ RURAL ☐

REPAIR DATA

LEAK CAUSE	COMPONENT & EXPLANATION	PART OF SYSTEM	PIPE & SIZE	REPAIR DATA
Corrosion	Pipe	Transmission	Steel	Number of Leaks
Outside Force	Valve	Main	Cast Iron	Bare
Construction Defect	Fitting	Service	Ductile Iron	Coated
Material Failure	Drip	Meter Set	Copper	Date Repaired
Other	Regulator	Customer Pipe	Plastic	Date Rechecked
	Tap Connection	Other	Other	Positive <input type="checkbox"/> Negative <input type="checkbox"/>
	Other			

REMARKS



2865 RUDDER ROAD • P. O. BOX 18061 • MEMPHIS, TENNESSEE 38118 • PHONE 363-0377

LEAKAGE INSPECTION — LOCATION REPORT

ADDRESS LTV
 CITY/COUNTY Coyne / Hardin STATE TN
 DISTRICT _____

Page No. 4
 Field Case No. 4
 Date 5-28-07

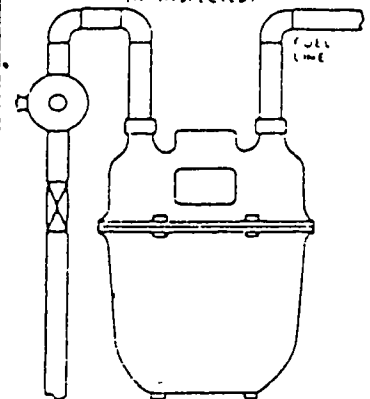
GRADE OF CASE

SUMMARY

GRADE 1 _____
 GRADE 2 _____
 GRADE 3 X

METER SET

Meter No. _____
 (IF INSPECTED)



INSIDE ☐ OUTSIDE ☐

X - DENOTES ESTIMATED LEAK LOCATIONS

LEAK DATA

DETECTED BY	COLLECTING	PROBABLE SOURCE	SOIL	VENTED CG TEST	PRESSURE	SURFACE	PIPE & SIZE
Mobile Flame Pack	In Building	Main	Back	Gas %	Low	Low	Steel
Flame Pack	Near Bldg	Service	Cinder	LEL %	LP	Soil	Plastic
Visual/Vegetation	In Man Hole	Service Tap	Clay	P.P.M.	High	Paved	Cast Iron
Combustible Meter	In Soil	Valve	Loam	Negative	Transmission	Other	Other
Odor	In Air	Meter Set	Sand				
Other	Other	Other	Other				

REMARKS — VEGETATION DAMAGE

bypass shut-off valve leaking

AREA LOCATION. COMMERCIAL ☐ INDUSTRIAL ☒ RESIDENTIAL ☐ RURAL ☐

REPAIR DATA

LEAK CAUSE	COMPONENT & EXPLANATION	PART OF SYSTEM	PIPE & SIZE	REPAIR DATA
Corrosion	Pipe	Transmission	Steel	Number of Leaks
Outside Force	Valve	Main	Cast Iron	Bare
Construction Defect	Fitting	Service	Ductile Iron	Coated
Material Failure	Drip	Meter Set	Copper	Date Repaired
Other	Regulator	Customer Pipe	Plastic	Date Rechecked
	Tap Connection	Other	Other	Positive <input type="checkbox"/> Negative <input type="checkbox"/>
	Other			

REMARKS



2865 RUDDER ROAD • P O BOX 18061 • MEMPHIS, TENNESSEE 38118 • PHONE. 363-0377

LEAKAGE INSPECTION — LOCATION REPORT

ADDRESS LTV
CITY/COUNTY COUNSEL / HARDIN STATE TN
DISTRICT _____

Page No. 5
Field Case No. 5
Date 5-28-02

NORTH

X - DENOTES ESTIMATED LEAK LOCATIONS

GRADE OF CASE

SUMMARY

GRADE 1
GRADE 2
GRADE 3 X

METER SET

Meter No. _____
(IF INSPECTED)

INSIDE ☐ OUTSIDE ☐

LEAK DATA

DETECTED BY	COLLECTING	PROBABLE SOURCE	SOIL	VENTED C.G.I. TEST	PRESSURE	SURFACE	PIPE & SIZE
Mobile Flame Pack	<input checked="" type="checkbox"/> In Building	Main	Rock	Gas % <u>5</u>	Low	Lawn	Steel
Flame Pack	Near Bldg	Service	Cinders	LEL %	LP	Soil	Plastic
Visual/Vegetation	In Man Hole	Service Tap	Clay	PPM	High	Paved	Cast Iron
Combustible Meter	In Soil	Valve	Loom	Negative	Transmission	Other	Other
Odor	In Air	Meter Set	Sand				
Other	Other	Other	Other				

REMARKS — VEGETATION DAMAGE

LEAK LOCATED ON FISHER 99 COLLAR

AREA LOCATION. COMMERCIAL ☐ INDUSTRIAL ☒ RESIDENTIAL ☐ RURAL ☐

REPAIR DATA

LEAK CAUSE	COMPONENT & EXPLANATION	PART OF SYSTEM	PIPE & SIZE	REPAIR DATA
Corrosion	Pipe	Transmission	Steel	Number of Leaks
Outside Force	Valve	Main	Cast Iron	Bare
Construction Defect	Fitting	Service	Ductile Iron	Coated
Material Failure	Drip	Meter Set	Copper	Date Repaired
Other	Regulator	Customer Pipe	Plastic	Date Rechecked
	Tap Connection	Other	Other	Positive <input type="checkbox"/> Negative <input type="checkbox"/>
	Other			

REMARKS



2865 Rudder Road
Memphis, TN 38118
1-901-363-0377

NATURAL GAS LEAK SURVEY REPORT

Tri-State Meter And Regulator Service, Inc was hereby retained by Town of Counce to conduct a survey of the natural gas pipeline and services described in the following report.

This leak survey was conducted in accordance to the u s department of transportation and office of pipeline safety specifications

This survey was conducted exclusively on pipeline and services under the guidance of Mike Horton . All surveillance was conducted with their knowledge of pipeline and service locations

Survey locations are listed as follows

Survey location Counce,Tn.

Start date 8-2-2001 End date 8-2-2001 Number of days: 1

Guide provided No number of leak cases: 1

Leak detector type used: Heath Detecto-Pak III

Leak class breakdown

Class 1: 0

Class 2: 0

Class 3: 1

Residential services inspected: No

All services checked No

Commercial services inspected: Yes

All services checked No

Industrial services inspected NO

All services checked No

Main line inspected: Yes

All main line checked No

Number of main line leaks: 1

Survey Conducted By Charles Raines

Assistant: None

Comments: all leaks located were marked with yellow paint Overall condition of pipeline and services were found in average condition Survey consisted of the buisness district only This covered the main line running down hwy 57.

Recommendations: a licensed plumber should examine the leaks found in this report it will be their determination as to whether faulty equipment or pipeline should be replaced or repaired